

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 1898 - HB 2533

March 14, 2016

SUMMARY OF BILL: Prohibits a non-tenured applicant from being employed in a teaching vacancy within a local education agency (LEA) if there are tenured applicants on the reemployment list who possess the licensure required to fill the vacancy. If a local board of education is undertaking a reduction in force, preference shall be given to tenured faculty, over non-tenured faculty. Prohibits a tenured teacher from being dismissed without cause during a reduction in force, except as provided for in Tenn. Code Ann. § 49-5-511(b)(3)(C), if there is a position available in the LEA that the teacher is licensed to fill.

ESTIMATED FISCAL IMPACT:

Increase Local Expenditures – Exceeds \$10,000*

Assumptions:

- No fiscal impact on state government.
- To the extent a non-tenured faculty member is paid less than a tenured faculty member and an LEA would have given hiring preference to the non-tenured faculty member over the tenured faculty member in the absence of this bill, LEAs will incur a mandatory and recurring increase in local expenditures under the provisions of this bill in order to pay a higher salary to the tenured faculty person.
- The fiscal impact of this bill to local government is dependent upon several unknown factors such as the difference in salaries between tenured and non-tenured faculty within each LEA, whether LEAs would have hired tenured or non-tenured faculty during reemployment or reduction in force activities, and the total number of employees that will be impacted by this bill. Given the extent of unknown factors, a precise estimate is difficult to determine. However, given that LEAs will be required to give preference to individuals with tenure, the mandatory and recurring increase in local expenditures is reasonably estimated to exceed \$10,000 statewide.

*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in dark ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

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